GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Ind. & Com - VCICDP - Tranche II - Approval of the proposal of VCICDP to take up Revised Scope of Augmenting Water Supply to Nakkapalli Industrial Cluster with the earlier sanction amount of Rs 399.03 Cr under VCIC Tranche- II, for expediting the work to complete within the intended timelines i.e Sep-2026 - Permission to VCICDP to notify the commencement date in order to communicate to ADB for generating Project PSC Number – Accorded - Orders - Issued.

INDUSTRIES & COMMERCE (INFRA) DEPARTMENT

G.O.RT.No. 116 Dated: 08-07-2025

Read the following:

1. G.O.Rt. No.204, Ind. & Com.(INFRA) Department, dated: 13.12.2022.
2. From the VC & MD, APIIC Ltd., Mangalagiri, Lr.No.CE (N)/APIIC/ANKPLI/BDP/2023-24, Dt:01.07.2025.

ORDER:

In the G.O 1st read above, Government have accorded administrative sanction for "Development of Major Infrastructure & Utilities services in Start –up Area of 1,120 Acres Nakkapalli APIIC- 09A" with an amount Rs. 399.03 Cr along with other works under VCIC Tranche-II.

2. In the reference 2nd read above, the VC & MD, APIIC Ltd., has stated that as per orders issued in the reference 1st read above, it was proposed to develop 'Nakkapalli Industrial Cluster – Startup Area' to an extent of 1120 Acs by having internal developments viz., Roads (21.93 Km), Drains (43.9 Km), Water supply (38.5 Km), Power Supply (2 Nos – 33/11 KV SS) and external water supply of 6.5 MLD & SST of 546 ML Capacity. The work was grounded on 17.01.2024 and the agency has raised Mobilization advance to a tune of Rs. 18.91 Crores and deployed Men & Machinery for commencing the work. However, work could not progress due to local issues. Meanwhile, due to subsequent developments for garnering bigger industrial investment to the State, Government has allotted lands to M/s AMNSI to establish integrated steel plant {7.3 MMTPA under Phase – I} at Nakkapalli vide G.O. MS. No. 76 of Industries & Commerce (P&I) Department, Dated: 26.11.2024 for an extent of 2200 Acs of lands, - which include APIIC lands (1,120 acres) earmarked for development under ADB Nakkapalli Industrial Cluster of ADB as referred vide Para-1 above and about 700 acres of lands carved of Bulk Drug Park lands subject to approval of GoI in this regard.

3. The VC & MD, APIIC Ltd., has further stated that due to above cause of action, there is a reduction in Original Scope (i.e., duly deleting all internal developments in Start-Up Area) by only retaining External Raw Water supply to Nakkapalli Industrial Cluster by mode of Augmentation, as the Water Demand rose to 120 MLD in lieu to 6.5 MLD, in order to cater the needs of Bulk Drug and AMNSI (both Phase – I & Phase – II), AMNSI Township, Other upcoming developments etc., in and around Nakkapalli Industrial Cluster. On assessing the base demand, the proposal of revised alignment for laying external pipeline is prepared in adherence to ADB norms and the same was submitted to ADB mission during the visit in March – 2025. After in-principle approval of ADB, the variation statement duly adopting derived rates as per Agreement Clause No 12.3 are prepared for the following revised scope amounts to Rs 399.03 Cr (ie ADB share : 279.32 Cr (ie 70%) & GoAP share :119.71 Cr (30%))

- *Activity I : Intake Well for drawl of Raw Water to required capacity, Regulatory Head , Approach Channel for requisite discharge*
- *Activity II : Laying External Pipe Line for 53 KM with requisite dia of 1000 mm & 1100 mm as per design calculations*
- *Activity III : Upgradation of existing Tank as SST to required capacity for 45 days storage period*
- *Required Crossing viz Railway, Road etc.*
- *Other Statutory provision viz GST, Seiniorage and NAC etc*

4. The VC&MD, APIIC has therefore requested the Govt. to accord approval for taking up of the Revised Scope of Augmenting Water Supply to Nakkapalli Industrial Cluster with the earlier sanction amount of Rs 399.03 Cr (ie ADB share: 279.32 Cr (i.e 70%) & GoAP share: 119.71 Cr (30%)) for expediting the work to complete within the intended timelines i.e Sep -2026 and also requested to accord permission for notifying the commencement date in order to communicate to ADB for generating Project PSC Number.

5. Government after careful examination of the proposal, hereby accord approval to take up Revised Scope of Augmenting Water Supply to Nakkapalli Industrial Cluster with the earlier sanction amount of Rs 399.03 Cr (ie ADB share:279.32 Cr (i.e 70%) & GoAP share:119.71 Cr (30%)), under VCIC Tranche-II for expediting the works, as explained at Para-3 above, to complete within the intended timelines i.e Sep-2026 and accord permission to VCICDP for notifying the commencement date in order to communicate to ADB for generating Project PSC Number.

6. The Project Director, VCICDP, and the VC&MD, APIIC Ltd., shall take further necessary action in the matter duly following relevant rules in force.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

N.YUVARAJ
SECRETARY TO GOVERNMENT

To
The Project Director, VICICDP., A.P., Vijayawada.
The VC&MD, APIIC Ltd., Mangalagiri.
The Director of Treasuries & Accounts, Ibrahimpatnam.
The Director of Works and Accounts, Ibrahimpatnam.
The Pay & Accounts Officer, Ibrahimpatnam.
The Accountant General, (A&E), Vijayawada.
The CEO, APCFSS, Ibrahimpatnam.
Copy to:
The P.S. to Hon'ble Minister (I&C and FP), A.P. Secretariat.
The P.S. to Secretary to Government & CIP., Ind. & Comm. Dept.
Sf/Sc.(C.No.2888057)

//FORWARDED::BY ORDER//

SECTION OFFICER